Application of E-Cooperative in Facilitating Accountability Reports by Management

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Abstract: There is a society economic movement that can solve financial problems from and for its members and without any element of usury and justified by Islamic teachings called by cooperative. There is a problem: it is not about difficulty in member recruitment or bad credit problem, but it is from the management. Limited ability or competence in preparing the accountability reports leads to delays on the reporting that must be met in the assessment on cooperative health by local cooperative office and RAT (Annual Member Meeting) leads to delays. The research method is R&D (Research and Development). The application of e-cooperative with a case study of PKK Cooperative RW VI Tipar sub district Sukabumi city creates more effective and efficient management performance because through one input, it relates to correlated report. Better and qualified accountability reports can be qualified for cooperative health assessment by the relevant Office and the preparation of the management accountability report and RAT can be on time.

1 INTRODUCTION

There is a reality to obtain financial assistance with necessary requirements to be met at Commercial Financial Institution; this creates an option to form a people economic movement group so that it can solve financial problems from and for the members without any element of usury and justified based on Islamic teachings. This group is named as Cooperative. Pursuant to the Act of RI No. 25 of the year 1992 article 1, Cooperative is “Business Entity with members of one personal or Cooperative Legal Entity which base its activity based on Cooperative principles as well as the people economic movement based on the family spirit. From the above definition, we can conclude that a cooperative is formed with an expectation to provide welfare for its members. The income received by the cooperative is called as profits or SHU; this will be returned and enjoyed by the members so that it can avoid any element of usury. It is not difficult to form a cooperative, because forming a cooperative, either primary or secondary, is only required the following requirements; for primary Cooperative, it can be formed by at least 20 people meanwhile for Secondary Cooperative, it can be formed by at least 3 Cooperatives (Act of RI No. 25 of the year 1992 article 6).

Table 1: Cooperative Data in Indonesia 2014.

<table>
<thead>
<tr>
<th>Number of Cooperative</th>
<th>Active Status</th>
<th>Inactive Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>206,288 Units</td>
<td>56,638 Units</td>
<td>149,650 Units</td>
</tr>
<tr>
<td>149,929 Units</td>
<td>28.29 %</td>
<td>71,71 %</td>
</tr>
</tbody>
</table>

Source: Kemenkop June 2014.

The numbers above show that total cooperative inactive status is higher. Difficulty factor in preparing this accountability reports is one of the causes to create cooperatives with inactive status because they have no ability to meet the requirements and provisions completed in the Assessment on Cooperative Health. The arising problem is not the difficulty in member recruitment or bad credit problem, but it is from the management. Limited ability or competence in preparing the Accountability Reports leads to delays on the reporting that must be met in the assessment on cooperative health by local cooperative office. During this transaction recording is still done manually with paper media and balpoint.

It is not an easy task for the management to apply the tasks as described in the provision of article 30
point 1 Act of RI No. 25 of the year 1992 concerning Cooperative above, if it is not supported by easiness presented in an application utilizing Information technology. Training on MS, Excel 2007-Based Accounting Application System by Saving and Loan Cooperative that has been joined under the supervision of DEKOPINDA Sukabumi City by the HadiantoTanjang and WidyaiswaraMadya as the presenters from Cooperative and Micro, Small and Medium Enterprises Office, creates conclusion that the application of MS, Excel 2007 in managing transaction and preparing Accountability reports is less effective because it yet utilizes Information technology and Research conducted by(Atikah, 2014) with the title of System Savings and Loans On Employees Cooperative Republic of Indonesia (KPRI) Dwija work of the District Tulakan 2014 concluded that cooperatives in Indonesia growth is Static Expansion means quantitative growth because cooperatives are not managed with good management, so that needed a computerized system to manage transactions and facilitate the preparation of the cooperative management.

Thus, from this reality, it is necessary for a research to have the ability to solve difficulty by the management performance in creating an application system by utilizing Information Technology, namely E-Cooperative Application in facilitating the accountability reports by Cooperative Management.

2 LITERATURE REVIEW

2.1 E-Cooperative

E-Cooperative is a description of the word Electronic Cooperative meaning that the cooperative uses electronic facility utilizing computer network through internet as its operation supporting equipment. From the definitions above, it can conclude that the E-Cooperative can mean as that the Cooperative Management using internet media in managing its activities. Research and journals that discuss about E-cooperatives are still limited so that researchers are interested to raise the theme of E-cooperative.

Analysis and Design of E-Cooperative System On Cooperative Savings and Loansby (Andini, 2014) Research results: The content of the application that there are 3 websites to be analyzed. The 3 websites are the Cooperative MakmurMandiri, Cooperative MajuBersama and Cooperative ElitsMitraSetia. Of the three websites analyzed will get results related to the shortcomings and advantages of each cooperative tailored to the needs of making web design in accordance with Law no. 17 of 2012 on Cooperatives. The launching of E-cooperative by PT Telkom Indonesia (Persero) Tbk joint to Economic Welfare Bank (BKE) launched E-Cooperative is a solution to support cooperative and SME program that is healthy, strong, independent, tough and empowered high competitiveness (Antara News, 2016).

2.2 Cooperative

The main foundation underlying the establishment of cooperatives in Indonesia is provision of the Act of RI No. 25 of the year 1992. According to the Act of RI No. 25 of the year 1992, it states that: Cooperative is formed with the purpose to prioritize particularly its members’ welfare and generally the society as well as contribute to develop national economic system in order to realize an advanced, fair and prosperous society based on Pancasila and Constitution of 1945. The reason for is formed of cooperatives by the community because they want to obtain greater benefits than if they have to do business with non-cooperative organizations because the main purpose of the cooperative is from and for members with the principle of familiarier.

Meanwhile the Organizational Tools consist of:

- Member Meeting;
- Management;
- Supervisors.

Tasks of Cooperative Management (Board Of Director) According to the Act of RI No. 25 article 30 point 1 in(Irawan, 2014) determine the tasks of Cooperative management are:

- Manage Cooperative and Its business;
- Propose work plan design as well as revenue and spending budget plan design of the cooperative;
- Held the Member meeting;
- Propose Financial Statements and Accountability report on its task implementation;
- Implement financial accounting and inventory in a regular manner;
- Maintain list of member and management books.

Financial Statements as determined by Financial Accounting Standards (IAI, 2013) is also applied in the Cooperative consisting of:
Balance; Profit report, Equity report; Cash Flow Report; Records on financial reports containing summary on significant accounting policies and other information descriptions.

What distinguishes Cooperatives with other Business Entities is in the Presentation of Financial Statement by the existence of Profits (SHU). Definition of Profits (SHU) as presented in provision of the Act RI No. 25 of the year 1992 article 45 is:
- Represents cooperative income earned within one financial year minus depreciation expense, and other liabilities including taxes in the relevant fiscal year;
- The profits after deducting by the reserve funds, it shall be distributed to members in proportionally to the business services performed by each member with the cooperative, and shall be used for cooperative education and other purposes of the cooperative, in accordance with the decision of the member meeting;
- The amount of profits is stipulated in the Member Meeting.

From the description above, it can conclude that the profits are obtained from the loan transaction activity by the members and as the rewards given by the members by giving an amount of funds for all members of cooperative. Accumulation of service provision from the members will be calculated and returned to all members based on the Agreement of Annual Member Meeting (RAT).

2.3 Results of Relevant Researches
- Ibm in Cooperatives in Jambi city in order to increase Cooperative Financial Reports by Utilizing Accounting Information System Technology: (Safelia & Putra, 2015)Research results: There is no good organized accounting, the accounting is still applied manually so that it is necessary for utilization on Accounting Information System technology facilitating the report production;
- Application Design Build of Employee Cooperative in PT. Mega Utama Indah that was conducted (Subiantoro et al., 2015). Research results: the application can be used for saving and loan process until its loan repayment process and can create cooperative member reports, approved reports, and loan installment repayment.

From previous research results, it shows that for Cooperatives in Indonesia growth is still Static Expansion, this is because the cooperative is not managed with good management, bookkeeping is still done by way of manual which result in the report that is not on time is necessary for an E-Cooperative System that utilize Information Technology which is able to effective the management of financial transactions so that it can facilitate the board to prepare its performance accountability reports.

3 METHODOLOGY

The purpose of this study to produce a product so that the method used is R&D. The research method R&D (Research and Development) is method used to produce certain products, and test the product effectiveness (Sugiono, 2012). With the research stages:
- Preliminary Study Stage;
- Development and Revision Study Stage;
- Evaluation Stage.

The research design is an operational design or pattern to be used as technical guidance by the researchers to be described as follow figure 1:

![Research Design](image)

Figure1: Research Design.
Source: (Sugiono, 2012)

The models to be used in this research are conducted in two stages namely:
- Limited testing in Sejahtera cooperative PKK RW VI Tipar sub district Sukabumi City (Legal EntityNo. 71/BH/XIII.16/Koperindag/I/2014);
- Broader testing plan to some primary Saving and Loan Cooperatives recorded as the members of DEKOPINDA Sukabumi city.
To obtain maximum results in this study, it is required accurate and relevant data to the research purpose; there are two data sources used namely primary and secondary data sources. As for the primary data source, it is done by:
- Observation Method (Observation);
- Interview Method (Interview).

While for the source of primary data, it is obtained from Literature Study as reference materials that support and strengthen the research arguments and preferred from relevant Journals to the research to be conducted.

4 RESULTS AND DISCUSSION

Limited testing in Sejahtera cooperative PKK RW VI Tipar sub district Sukabumi City produce findings that:
- The system used is less effective and less efficient;
- The Accountability reports leads to delays on the reporting that must be met in the assessment on cooperative health by local Cooperative office;
- Meetings The members are difficult to implement on schedule.

Thus, from this reality, it is necessary for a research to have the ability to solve difficulty by the management performance in creating an application system by utilizing Information Technology, namely E-Cooperative Application in facilitating the accountability reports by Cooperative Management.

From a series and stages of the research that have been conducted previously, ranging from preliminary study that is looking for potential and determining the problem identification, literature review, previous research review, field study, finding description and analysis as well as data demand analysis, then the research design can be described as follow figure 2:

The main page menu is the initial display of e-cooperative as the entering gate presenting menu option that will be inputted or seen by us.

4.1 Member Data Input Menu

![Figure 3: Member Data Input Page.](image1)

The member data input menu is the stage to input specific member indemnity containing the identity attached by a member that must be filled by management at the time the prospective member registers to be the cooperative member.

4.2 Member Data Report Menu

![Figure 4: Member Data Report Page.](image2)

Member report menu is the data consisting of the number of inputted member and registered in the Cooperative.To make clear the researches that have produced e-cooperative products, then it will be shown the work results of e-cooperative application.

Figure 2: Main Page.
4.3 Initial Cash Balance Input

This menu is used for previous transaction data input process or former accounting period. Example of case: final cash balance in 30 June 2017 is Rp. 908,000 Then the initial balance input process stage will show the following display:

a. Click initial balance input menu.

b. Then click, initial cash balance.

c. Click add

d. After click add, fill in the required information based on the example of case such as in the input form as follow.

The following is the input result for initial cash balance and Mandiri Bank. If it will conduct the re-input then, just click Add, and so on until all initial balances are completed inputted.

4.4 Account Initial Balance Input

The account initial balance input menu is the form to input the initial balance beyond the Cash Account or Bank.

The figure above shows the successfully inputted initial cash balance. This initial cash balance input menu is as the anticipation step if the cooperative that will apply the e-cooperative system has the balance in previous months in running its activities, so that the final year reports can show the actual cash position.

The figure above shows the final balance position of the account/account beyond the cash/Bank. The following is the results of member cash input which its input process is almost similar to the cash or account initial balance.
The page above is a detail on number of each member loan as well as its basic loan, loan period, number of installment and loan services.

Figure 9: Loan Data Page.

The loan data page is correlation of input result at the time of loan transaction, payment on installment as well as loan services.

To shorten and consider that all transactions are completed inputted and checked then the Financial Statement will display as follow:

Figure 11: Balance Sheet Report Page.

Balance sheet report page will show the financial position that we need for certain period based on the desired date, month and year.

Figure 14: Profit SHU report Page.

4 CONCLUSIONS

The Application of E-Cooperative with a case study of PKK Cooperative RW VI Tipar sub district Sukabumi city creates more effective and efficient management performance because through one input, it relates to correlated report. Better and qualified accountability reports can be qualified for cooperative health assessment by the relevant Office and the preparation of the management accountability report and RAT can be on time.

It is necessary for further development stage by doing further research so that this preliminary research can create any findings that can provide benefits and useful for the community, especially the cooperative management throughout Indonesia. For further research, it should not only be limited to the Application of Primary E-Cooperative with the type of Saving and Loan business but, it can more develop into all types of cooperatives.

REFERENCES

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